potential of the adjoining villages within a radius of 15 kms. of the particular town as well as large rural complex around big villages having a population of 10000 and above and potential rural areas around large towns. Accordingly, 43 potential locations have been identified in Gujarat. Most of these locations would embrace the rural areas.

New Oil Exploration Licencing Policy

1370. SHRI RAMDAS AGARWAL:
SHRI AKHILESH DAS:
SHRIMATI JAYANTI PATNAIK:

Will the PRIME MINISTER be pleased to state:

(a) whether new oil exploration licencing policy, which souhgt to provide up-to-date information of areas to be explored, by maps to the investing companies, has been under consideration;

(b) whether the Prime Minister also hinted privatisation in the oil exploration sector, as reported in the Hindustan Times dated the 18th February, 1997;

(c) if so, what are the details thereof and whether the policy is likely to be placed before the Parliament during the Budget Session;

(d) whether any offer from investors have been received; and

(e) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) to (c) Government has recently announced a new exploration licencing policy for the oil and gas sector. The salient features of this Policy are:—

— Open availability of exploration acreages in addition to existing bidding rounds.

— ONGC and OIL to compete for obtaining exploration licences with other Pvt. Sector Companies.

—ONGC and OIL to be provided a level playing field by providing the same fiscal and contract terms as available for private companies

—Special fiscal package to encourage exploration in deep water and frontier areas.

—Freedom to contractors for marketing of crude oil and gas in the domestic market.

—Exemption from payment of petroleum exploration licences fee/ area rentals.

—No compulsory state participation through ONGC and OIL.

(d) No, Sir. The policy has just been announced.

(e) Does not arise.

Irregularities in the Tenders of Oil Companies

1371. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem which appeared in the Hindustan Times dated the 21st Decemer, 1996 under the caption "No level-playing fied for national oil firms: CAG";

(b) if so, what are the details regarding various allegations, particularly regarding lack of proper tender evaluation, not reading the bids in the presence of bidders, non-disclosure of highest share of project NPV to Government, evaluation of bids on lowest of estimates, production sharing, reimbursement of cost, and Government's reaction in the matter; and

(c) what action has been taken after submission of CAG report, including against the personnel involved?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) The newsitem "No level playing field for national oil firms: CAG" appeared in the Economic Times dt. 21.12.96.

(b) and (c) CAG in their final report No. 5 (Commerical) of 1996 on

"Participation of private parties which Oil & Natural Gas Corporation Ltd. in Production of Crude Oil & Natural Gas" made observations inter-alia relating to non-reimbursement of past cost to ONGC, bid evaluation criteria, non-opening of bids in public, reserve variation for Panna and Mukta oil fields etc. Government of India has already replied to these observations in details stating, interalia, that development of fields has resulted in value addition and the profitability of project as well as the total Govt. revenue from the project is higher than if the fields had been developed by ONGC itself.

Oil Conservation Measures

1372. SHRIMATI RENUKA CHOWDHURY:
DR. B. B. DUTTA:

Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) the percentage of oil consumption between Government and non-Government sectors in the country during 1995-96 and 1996-97, year-wise;

(b) whether it is a fact that oil consumption in various sectors of the economy can be reduced by 20 to 30 per cent, by adoption of proper conservation measures;

(c) if so, the steps taken by Government to conserve oil and to economise the oil consumption; and

(d) the specific programmes and schemes, if any, launched during the recent oil conservation fortnight?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGINDER K. ALAGH): (a) The actual consumption of petroleum products during the year 1995-96 is 74.72 million tonnes and during 1996-97 (BE) it is likely to be 81.8 million tonnes. The Consumption of High Speed Diesel (HSD) during 1995-96 (actual) is 32.25 million tonnes and 1996-97 (BE) is likely to be 35.06 million tonnes. HSD is the major petroleum product consumed in Government Sector. The consumption of HSD in some of the Govt. undertakings is as follows:—

(Million Tonnes)

Sector	1995-96 (Actual)	1996-97(BE)
i. State Transport Undertakings (STUs)	2.20	2.24
ii. Railways	1.41	1.41

The details of consumption of Motor Spirit (Petrol) in Government and non-Government sectors are not readily available.

(b) An inter-ministerial working gorup had undertaken study on the scope for conservation in the use of petroleum products and estimated the same as follows:

Sector	Conservation Potential
1. Transport	20%
2. Industrial	25%
3. Agriculture	30%
4. Domestic	20%

(c) Several steps have been taken to promote conservation of petroleum products in transport, industry, agriculture and domestic sectors.

These include replacement of old furnaces with modern high efficiency furnaces along with pre-heaters and optimisation of heat exchanger trains etc. in the refineries, standardization of fuel efficient pumpsets in agriculture sector and promotion of fuel efficient kerosene and LPG stoves. Some of these activities are coordinated by Petroleum Conservation Research Association (PCRA).

(d) The major objective of observing the oil conservation fortnight during